

Distribution Agreement

REASON STUDIOS

General Terms and Conditions

Distribution

Version 2

Updated 14 August 2020

1. GENERAL

1. These General Terms and Conditions for distribution (the "Terms") applies for the distribution of pre-approved Reason Studios Partner Products ("RSPP") including but not limited to Rack Extensions and ReFill packages via Reason Studios Aktiebolag's, reg. no. 556546-2206, VAT no SE556546220601, Hornsbruksgatan 23, SE-117 34 Stockholm, Sweden ("Reason Studios") online marketplace for sale and distribution of RSPPs via the Marketplace (the "Marketplace").
2. These Terms concluded between the entity specified in the Contract Form (as defined in Section 1.3) (the "Developer") and Reason Studios.
3. The individual signing the contract form accompanied by these Terms (the "Contract Form") (jointly with any exhibits or schedules identified as being incorporated into the Contract Form, the "Distribution Agreement") hereby represents and warrants that he or she has the authority to enter into these Terms on behalf of the Developer and that the information provided in the Contract Form is true, updated and complete.
4. In order for the Developer to receive payment from End User purchases, subscriptions or rent-to-own of RSPPs from Reason Studios, the Developer must be registered for value added tax in its country of origin and have an EU value added tax number, a US tax identification number or a similar registration number. The Developer must also register accurate bank details for such monetary transactions to take place.

2. RSPP REQUIREMENTS

1. RSPPs marketed, sold and distributed via the Marketplace must at all times comply with the following requirements:
 - a. RSPPs must comply with the requirements and guidelines specified by Reason Studios from time to time;
 - b. RSPPs must comply with all applicable laws and regulations in any jurisdiction where the RSPPs are marketed, sold or distributed;
 - c. RSPPs may not process any personal data of any individuals or entities purchasing, downloading, renting-to-own and/or subscribing to a RSPP ("End User");
 - d. RSPPs must not infringe any third-party intellectual property rights, including, but not limited to, copyrights, trademarks, patents or design rights;
 - e. Any musical compositions, sound samples or other content incorporated in the RSPP must either be fully owned by the Developer or the Developer must have acquired a sub licensable right to use such musical composition, sound sample and other content for the purposes set forth in these Terms. For the avoidance of doubt, neither Reason Studios nor any End User must be liable to pay any royalty or other compensation to any third party for such musical compositions, sound samples or other material;
 - f. RSPPs may not contain any content which may be illegal, inappropriate (such as obscene, pornographic or defamatory) or infringe any third-party rights;

- g. RSPPs may not contain viruses, malicious software, use any worms, trojan horses, cancelbots, spyware, corrupted files, time bombs, robots, scrapers, spiders or any other automatic means to access, damage, disrupt or interfere with Reason Studios' or any End User's hardware or software; and**
- h. RSPPs may not contain any open source software, free software or other third party products which may create an obligation for the Developer, Reason Studios or any End User to disclose or distribute the RSPP (or any part thereof), any software or source code on open source license terms or obligations.**
- i. RSPPs may not be designed or marketed for the purpose of harassing, abusing, stalking, or otherwise violating the legal rights of others;**
- j. RSPPs may not disable or override any system alerts, warnings, or similar that has been implemented by Reason Studios.**

3. APPROVAL OF RSPP

- 1. The Developer may submit RSPPs to Reason Studios for approval.**
- 2. Prior to submitting any RSPPs to Reason Studios for approval, the Developer must verify and ensure that such RSPPs complies with the requirements specified in Section 2 above.**
- 3. The Developer shall not hide or misrepresent any feature or functionality of the RSPPs during the approval process.**
- 4. If the Developer makes any changes to the RSPPs (during or after the approval procedure), the Developer shall resubmit the RSPPs for approval (or re-approval). Such changes include, but are not limited to, bug fixes, patches or updates to the RSPP.**
- 5. Submissions of RSPPs for approval shall include all necessary information and documentation and shall be transferred to Reason Studios via the Developer's user account.**
- 6. The Developer is responsible for giving Reason Studios reasonable aid in the approval process and to promptly provide answers and information requested by Reason Studios.**
- 7. Reason Studios endeavours to give its decision on approving or rejecting the submitted RSPP within thirty (30) days from when the Developer submitted the RSPP to Reason Studios for approval.**
- 8. Reason Studios has the right to, at its sole discretion, determine whether the RSPP complies with the requirements set out in Section 2 above. However, Reason Studios shall (at the Developer's request) provide the Developer with an explanation for the rejection.**
- 9. If the Developer is not satisfied with a decision from Reason Studios regarding the rejection of an RSPP, the Developer may refer the matter to the Reason Studios' review board. Reason Studios' review board shall give its decision on approving or rejecting the submitted RSPP within fifteen (15) days from when the Developer referred the matter to the board. The decision of the Reason Studios review board is final.**
- 10. Once Reason Studios has approved the submitted RSPP, Reason Studios shall not be entitled to withdraw such approval or revoke the RSPP, unless the Developer is in breach of these Terms or such revocation is permitted under these Terms.**
- 11. The Developer is solely responsible for any documentation and support or warranty towards the End User regarding the RSPP. The fact that the RSPP has been approved by Reason Studios does not relieve the Developer of any of its obligations towards the End User.**

4. DISTRIBUTION, ETC

- 1. RSPPs which have been approved by Reason Studios in accordance with Section 3 above will be made available by Reason Studios via the Marketplace.**

2. The Developer hereby grants to Reason Studios an exclusive, non-transferable, non-assignable and time restricted (for the duration of these Terms, unless otherwise expressly stated) right to distribute and make available through purchase, subscription or rent-to-own the approved RSPPs in accordance with what is set out below:

- a. Reason Studios sells the licenses for the RSPPs or makes the RSPPs available through subscription or rent-to-own to End Users in its own name through the Marketplace;**
- b. Reason Studios shall be entitled to distribute and make available through purchases, subscription or rent-to-own the RSPPs on a worldwide basis, but reserves the right not to distribute or make available the RSPPs to certain countries;**
- c. Reason Studios shall be entitled to distribute and make available the RSPPs to any technical platform, including, but not limited to, Microsoft Windows, Apple Mac OS, Apple IOS and Google Android;**
- d. Reason Studios shall provide hosting service of the RSPPs to allow for End Users to access the RSPPs;**
- e. Reason Studios is entitled to make copies of, format, compile, or otherwise prepare the RSPPs for the distribution and making them available to End Users;**
- f. Reason Studios is entitled to allow End Users to access and re-access copies of the RSPPs. If these Terms terminates for any reason, the Developer grants Reason Studios an eternal, non-exclusive, non-revocable, non-transferable license to store the RSPP and to provide End Users, that have already purchased, rented-to-own or subscribed to the RSPP, access and re-access to copies of the RSPP (in case of subscription or rent-to-own however, such access and re-access shall only apply in so far as the subscription is valid or the applicable instalment period has been paid for);**
- g. Reason Studios is entitled to use trademarks and logos associated with the RSPPs for the sole purpose of selling, distributing, or making the RSPPs available through subscription or rent-to-own, and marketing the RSPPs via the Marketplace, provided that Reason Studios shall not use the Developer's trademarks and logos in any way that disparages the Developer or its products or is manifestly misleading concerning ownership of the RSPPs;**
- h. any updates, add-ons, libraries or similar connected with the RSPP shall be distributed or made available to End Users through the Marketplace; and**
- i. Reason Studios is, after consent from the Developer, entitled to provide End Users with a test version of a Rack Extension for a maximum of thirty (30) days free of charge (the "Trial Period"). However, with regard to subscriptions, Reason Studios is entitled, without consent from the Developer, to grant an unlimited number of End Users one or more subscription fee free periods with regard to one or more RSPPs (each called a "Subscription Fee Free Period"). The length and timing, etc. of a Subscription Fee Free Period, as well as the RSPP/s which will be subject to the Subscription Fee Free Period, shall be solely determined by Reason Studios. However, granted Subscription Fee Free Periods shall not exceed a total of sixty (60) days per calendar year and End User. After the expiry of the Trial Period or after maximum utilisation of the Subscription Fee Free Period, respectively, the End User shall be required to purchase, or, as the case may be, subscribe to, the RSPP in order to continue to use the RSPP. Reason Studios undertakes to maintain a reasonable mechanism to prevent End Users from continuing to use the RSPP after the expiry of the Trial Period and the Subscription Fee Free Period.**
- j. Reason Studios waives its exclusive distribution rights on unlicensed, non-executable product content. For the sake of clarity this waiver does not apply to Rack Extensions.**

3. The Developer is not entitled to any compensation or remuneration for the rights granted to Reason Studios under this Section 4. The Developer's sole compensation is described in Section 8 of these Terms.

5. END USER LICENSE AGREEMENT

1. The End User License Agreement found on <https://www.reasonstudios.com/agreements#eula> ("End User License Agreement") shall apply between the Developer and the End User for purchase of, rent-to-own, or subscription to, any RSPP through the Marketplace.
2. The Developer acknowledges that the End User License Agreement is solely between the Developer and End Users and that Reason Studios shall not be responsible for, or have any liability under the End User License Agreement or for any breach by the Developer or the End User of any of the conditions in the End User License Agreement.

6. SUPPORT AND COMPLAINTS

1. The Developer is solely responsible to the End User for any defect and any other matter related to RSPP purchased, rented-to-owned or subscribed to. Complaints or questions regarding defects or other matters concerning RSPPs shall always be made to the Developer and not to Reason Studios, and Reason Studios will refer any such complaint or question to the Developer.
2. In the event that i) the End User, within thirty (30) days from the date of purchase of, rent-to-own or subscription to the RSPP, notifies Reason Studios that the End User wishes to cancel its purchase, rent-to-own, subscription or license or if ii) the RSPP, in Reason Studios' opinion (to be reasonably exercised), does not conform with its specifications or any warranties made by the Developer, Reason Studios may at its own discretion refund the End User with the full amount of the price, instalment or subscription fee paid by the End User. The Developer shall repay Reason Studios such amount, or Reason Studios shall be entitled to deduct such amount from any payment to be made to the Developer. The same shall apply if Reason Studios is obligated to refund the price, instalment or subscription fee paid by the End User for any other reasons, including but not limited to, decisions from courts or governmental authorities.

7. REVOCATION

1. Reason Studios shall at any time be entitled to cease making the RSPP available if Reason Studios has reason to believe that:
 - a. the RSPP does not comply with the requirements set out in section 2.1;
 - b. the RSPP cannot be used securely due to technical reasons or a security breach;
 - c. the Developer no longer has the right to distribute or make available the RSPP (or any part thereof);
 - d. the RSPP violates any applicable law;
 - e. the Developer has provided Reason Studios with information that was false or incomplete;
 - f. Reason Studios is required by law or decision from authorities to take such action; or
 - g. the Developer is otherwise in breach of these Terms.
2. If Reason Studios has revoked the RSPP due to any of the reasons set forth above, then Reason Studios shall without undue delay notify the Developer in writing. Such notice shall contain Reason Studios' reason for the revocation.

8. FEES, ETC

1. The Developer sets its own prices for the RSPPs, provided that the prices fall within the Price Tiers (as set out in Schedule A to the Contract Form). Subscription fee or instalment amount for an RSPP is calculated based e.g. on the price for the RSPP in question and the size of any relevant subscription package. Price Tiers, instalment amounts and subscription fees are calculated and determined by Reason Studios. Reason Studios reserves the right to change the Price Tiers, instalment amounts and subscription fees from time to time. The Developer is entitled to Developer Proceeds (as set out in Schedule A to the Contract Form) for RSPPs sold, rented-to-own or subscribed to (such schedule also setting out Developer Proceeds with respect to development where add-on services are used). The Developer acknowledges and agrees that its choice to use add-on services may have an impact on the Developer Proceeds.

2. The Developer has the right to change the price of the RSPPs at any time. Such changes will take effect within ten (10) Swedish working days after the Developer has notified Reason Studios in writing of such change. The Developer acknowledges and agrees that an increase of the price of an RSPP or the use by the Developer of add-on services or paid upgrades will not result in an increase of subscription fees for RSPPs already subscribed to (as long as the relevant RSPP is subscribed to by the End User) and will not result in an increase of instalment amounts or the number of instalments for RSPPs that have already been rented-to-own.
3. The Developer has the right to provide a reasonable number of End Users with RSPPs free of charge to be distributed via the Marketplace. For the avoidance of doubt, the Developer is not entitled to any remuneration from Reason Studios for such non-paid RSPPs.

9. SALES AND SUBSCRIPTION TAXES – VAT

1. Reason Studios is responsible for collecting VAT for the purchases and, where applicable, rent-to-own or subscriptions made through the Marketplace. Reason Studios will collect VAT from End Users when receiving payment from End Users in accordance with European Union VAT legislation.
2. The Developer is responsible for providing Reason Studios with all necessary tax documentation. Reason Studios reserves the right to withhold payment to the Developer before receiving all necessary tax documentation.
3. The Developer shall indemnify Reason Studios for any and all claims by any tax authority for any underpayment of any sales, subscriptions, use, goods and services, value added or other tax or levy, and any penalties and/or interest thereof. Said indemnity shall for the sake of clarity not include claims directly relating to Reason Studios' own tax liability.

10. REMITTANCE CURRENCY

1. Reason Studios shall execute payment of the Developer Proceeds in the currency set out in the Contract Form ("Remittance Currency"). In the event that Reason Studios receives the purchase price or subscription fees from an End User in another currency than the Remittance Currency agreed between the Developer and Reason Studios, the received purchase price or subscription fee shall be converted to the Remittance Currency. Reason Studios reserves the right to decide when the received purchase price or subscription fee shall be converted to the Remittance Currency and to choose (using its reasonable discretion) the exchange rate.

11. PAYMENT

1. After collection of payment from End Users for the sale of, or subscription to, RSPPs, Reason Studios shall (after appropriate deductions, including deductions for Reason Studios' remuneration, for sales and/or subscription taxes collected by Reason Studios in accordance with Section 9 and for charges and fees reasonably assessed and decided by Reason Studios) pay the Developer Proceeds to the Developer in accordance with this Section 11.
2. Payment shall be made by wire transfer only, and the Developer is responsible for providing Reason Studios with up to date payment details. The Developer is responsible for the payment of its own bank and any intermediary bank charges in connection with the remittance of payment to the Developer.
3. Payment will be executed no later than, with respect to sales; forty-five (45) days and with respect to subscription or rent-to-own; seventy-five (75) days, in both cases following the end of the calendar month when Reason Studios received payment from the End User. Reason Studios will in connection with payments furnish the Developer with a report detailing the number of RSPPs sold, rented-to-own or subscribed to and the amount remitted to the Developer from Reason Studios. Such reports will be made available online via the Developer's user account in the Marketplace.
4. The amount payable to the Developer must exceed USD 300. If the payable amount is less, Reason Studios may at its own discretion choose to withhold payment until the next payment period.

12. TERM AND TERMINATION

1. These Terms shall become effective from the date upon which authorized signatories of each party has signed the Contract Form and shall thereafter be in force for an initial term period of six (6) months.
2. Unless these Terms is terminated by a party giving the other party not less than three (3) months written notice prior to the expiry of the initial term period, these Terms will continue to be in force until terminated by a party by giving the other party not less than three (3) months ' written notice to that effect.
3. Reason Studios may terminate these Terms immediately if:
 - a. the Developer, when entering into these Terms, provided information to Reason Studios that was false or incomplete;
 - b. Reason Studios discontinues the Marketplace in its entirety;
 - c. the ownership of the Developer has materially changed;
 - d. the Developer fails to meet its obligations under these Terms and fails to rectify such breach within thirty (30) days after receiving notice of such breach; or
 - e. the Developer enters into bankruptcy, files for bankruptcy, enters into receivership, dissolves, or becomes insolvent.
4. The Developer may terminate these Terms immediately if:
 - a. Reason Studios enters into bankruptcy, files for bankruptcy, enters into receivership, dissolves, or becomes insolvent;
 - b. Reason Studios in its entirety discontinues the Marketplace in its entirety (other than as permitted under these Terms); or
 - c. Reason Studios fails to meet its obligations under these Terms and fails to rectify such breach within thirty (30) days after receiving notice of such breach.

13. EFFECTS OF TERMINATION

1. Upon the termination of these Terms, Reason Studios shall no longer have the right to distribute or make available the RSPP in accordance with Section 4.2, excluding its rights under 4.2 (f).

14. INTELLECTUAL PROPERTY RIGHTS

1. All content of the Marketplace, such as text, meta data, graphics, designs, logos, button icons, algorithms, images, photos, audio clips, videos, digital downloads and compilation of these, and all software, object code and source code is owned or licensed by Reason Studios. The Developer (including the Developer's End Users) may not access, print or download portions of the material from the Marketplace (or parts thereof), unless the Developer has received Reason Studios' prior written consent.
2. Nothing contained herein shall be interpreted as a transfer of any of Reason Studios' rights whatsoever and all rights not expressly granted herein are reserved by Reason Studios.

15. PERSONAL DATA

1. The Developer (including the individual signing the Contract Form on behalf of the Developer) hereby confirms that it has received information regarding our processing of personal data, which is available at: <https://www.reasonstudios.com/agreements#privacy-policy>.

16. INDEMNITY

1. The Developer shall, for the term of these Terms and a period of five (5) years thereafter, fully indemnify Reason Studios for any and all third party claim or losses that regards the RSPP, of whatever nature or kind, including but not limited to, claims from End Users regarding RSPPs from the Developer (provided,

in this case, that the End User License Agreement has been applied) and claims from third parties that the RSPPs infringes the third party's intellectual property rights as well as for any costs that Reason Studios may have incurred following such claims, provided, however, that i) Reason Studios gives the Developer prompt notice of any such claim or loss and that ii) Developer is given the opportunity to assume control over the defence of such claim and that iii) Reason Studios cooperates with the Developer in the defence or settlement of such claim.

17. NON-WARRANTY AND LIMITATION OF LIABILITY

1. Reason Studios endeavours to keep the Marketplace available at all times. However, Reason Studios neither represents nor warrants that the Marketplace (and all parts thereof) will be continuous, uninterrupted or error-free or that any defects will be corrected. The Marketplace is provided on an "as-is" and "as available" basis, without any express or implied warranties whatsoever, including, but not limited to, implied warranties of non-infringement, merchantability and fitness for a particular purpose.
2. Save for Reason Studios' fraud, wilful misconduct or gross negligence, Reason Studios, including its officers', directors', employees', consultants', agents', suppliers' and licensors', total maximum liability for damages from any cause whatsoever, and regardless of the form of action or the cause of action, whether in contract or tort, shall not exceed the amounts actually received by Reason Studios for the Developer's sale of RSPPs via the Marketplace the three (3) months preceding the time the cause of action arose.
3. In no event shall Reason Studios, its affiliates, officers, directors, employees, consultants, agents, suppliers and licensors, be liable for any special, indirect, incidental, punitive or consequential damages, regardless of the form of action therefore, whether in contract or in tort, including negligence, including, without limitation, damages or loss to equipment, loss or damages of data, loss of revenue, loss of profits, loss of goodwill, increased expenses of operation, cost of capital, or the claims of third parties including your customers, however caused, regardless of whether such party has been informed of the possibility of such damages

18. CONFIDENTIALITY

1. Each party (the "Receiving Party") acknowledge that all information it receives from the other party (the "Disclosing Party"), including any information relating to financial records, pricing and development plans, is confidential or trade secret information of the Disclosing Party (the "Confidential Information").
2. Notwithstanding the above, "Confidential Information" shall not include any information which the Receiving Party can evidence:
 - a. is or becomes generally available to the public other than as a result of a disclosure by the Receiving Party or its directors, officers, employees, agents or representatives (collectively "Representatives") in breach of these Terms;
 - b. was within the Receiving Party's possession or knowledge prior to its being furnished to the Receiving Party by or on behalf of the Disclosing Party;
 - c. is or becomes available to the Receiving Party on a non-confidential basis from a source other than the Disclosing Party or its Representatives, provided that such source is not known by the Receiving Party to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, Disclosing Party with respect to such information, or;
 - d. is independently developed by the Receiving Party or its Representatives without regards to the Confidential Information.
3. The Receiving Party will: (a) limit disclosure of any Confidential Information to its Representatives who have a need to know such Confidential Information in connection with the fulfilment of the Receiving Party's rights or obligations under these Terms, and only for that purpose; (b) advise its Representatives of the proprietary nature of the Confidential Information and of the obligations set forth in these Terms and require such Representatives to keep the Confidential Information confidential; (c) shall keep all Confidential Information strictly confidential by using a reasonable degree of care, but not less than the

degree of care used by it in safeguarding its own confidential information; and (d) not disclose any Confidential Information received by it to any third parties (except as otherwise provided for herein).

4. The Receiving Party acknowledges that the Disclosing Party's Confidential Information is proprietary to the Disclosing Party.
5. The Receiving Party's obligations under this Section 18 shall survive the expiration and termination of these Terms.

19. FORCE MAJEURE

1. Both parties shall be relieved from any and all liabilities by reason of any circumstances beyond its immediate control, which impedes, delays or aggravates any obligations to be fulfilled by it under these Terms, such as changes in laws and regulation or in the interpretation thereof, acts of authorities, electrical, internet or telecommunication outages, war, acts of war, labour disputes, strikes, major accidents and currency restrictions.

20. NOTICES

1. All notices in connection with these Terms shall be given by personal service, mail or email, to the addresses and email address stated in the Contract Form. A notice shall be deemed to have been given;
 - a. in the case of personal service: at the time of service;
 - b. in the case of mail: three (3) days after the date of mailing; and
 - c. in the case of e-mail: on the date when the email is sent.
2. The Developer is obligated to notify Reason Studios in writing as soon as possible if the Developer changes its address, name, business or similar information and if any other information provided by the Developer in the Contract Form is changed.

21. MISCELLANEOUS

1. Reason Studios reserves the right to change the terms of these Terms and the End User License Agreement at any time. The Developer agrees that the acceptance of such new terms may be made by the Developer's duly authorised representative signing these Terms electronically by checking a box or clicking on an "agree" button or similar.
2. If the Developer does not accept the new terms, the Developer is always entitled to terminate these Terms by giving Reason Studios thirty (30) days' written notice. If the Developer does not accept the new terms, these Terms terminates automatically forty-five (45) days after the Developer was notified of the changed terms. During the termination period the new terms will for the sake of clarity not come into effect.
3. Reason Studios reserves the right to update, amend, change and/or modify the content of the Marketplace, without prior notification and will not be liable to any party in any way for possible consequences of such changes.
4. Unless otherwise expressly agreed in writing, the Contract Form and these Terms contain the entire understanding between you and Reason Studios with respect to the subject matter contained herein and supersede and cancel all prior agreements, negotiations, correspondence, undertakings and communications between the Developer and Reason Studios, oral or written, respecting such subject matter. The Developer represents that it has not accepted the Terms in reliance on any oral or written representations made by Reason Studios that are not contained in these Terms.
5. If at any time any provision of these Terms are or becomes invalid, illegal or unenforceable under applicable law, the validity, legality and enforceability of the remainder of these Terms shall not be affected. In the event any provision is held in any proceeding to be invalid, illegal or unenforceable, the deficient provision shall be replaced with a new provision permitted by applicable law and having an economic effect as close as possible to the deficient provision.

- 6. These Terms and the Distribution Agreement shall be governed by Swedish law, without reference to its conflict of laws principles.**
- 7. Any dispute, controversy, or claim arising out of or in connection with these Terms or the Distribution Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (the "SCC").**
- 8. The Rules for Expedited Arbitrations shall apply, unless the SCC in its discretion determines, taking into account the complexity of the case, the amount in dispute and other circumstances, that the Arbitration Rules shall apply. In the latter case, the SCC shall also decide whether the Arbitral Tribunal shall be composed of one or three arbitrators. The seat of arbitration shall be Stockholm. The language of the proceedings shall be English.**
- 9. Notwithstanding the above, each party is entitled to commence proceedings before a Swedish court with general jurisdiction, if the amount in dispute does not exceed one hundred thousand (100 000) SEK. Stockholm district court shall be the first instance.**